

Greetings and spring salutations! I hope you survived the winter in good shape. Lots to tell you about, as usual. Two different Medicare offers ending May 15. A new option for individual dental insurance from Blue Cross/Delta Dental ending June 1. And a "heads-up" about my somewhat limited availability from May 15 to July 1, 2006.

Here are the changes in the insurance industry and/or in your policies that you need to know about along with my advice to you on each, to help you continue to best manage the personal risks in your life.

**MEDICARE PART D
DRUG COVERAGE
— LAST CALL!**

If you currently have Medicare's Part A hospital and/or Part B physician coverage (and do not have "credible" prescription drug coverage elsewhere) but have been delaying signing up for Part D prescription drug coverage for whatever reason, this is your last reminder. You have until May 15, 2006, to sign up for some kind of drug coverage. Anyone who enrolls after May 15 will face a penalty of 1% a month—12% a year—increase on the usual monthly premiums. Remember Blue Cross's basic coverage costs as little as \$13 a month.

**THERE IS ONLY ONE
GOOD REASON FOR
DELAYING
ENROLLMENT**

If you are currently employed and receiving "credible coverage" for prescription drug benefits through your group coverage, you can enroll later, after you retire, in Medicare Part D, without penalty. At which point, you will receive a six month open enrollment period in which coverage is guaranteed regardless of health or existing medical problems.

**THE OPEN
ENROLLMENT FOR
BLUE CROSS SENIOR
GOLD MEDICARE
SUPPLEMENT POLICY
ENDS MAY 15**

Is your Medicare supplement other than with Blue Cross? Do you wish you could switch to Blue Cross but can't because of pre-existing medical conditions? This is a reminder that if you have any kind of Medicare supplement now, no matter how poor the coverage is, you have until May 15 to contact us or Blue Cross to sign up for their recommended Senior Gold program (rated *best value* by me). If you don't have any kind of Medicare supplement currently, you aren't eligible for this offer.

**IF YOU KNOW
ANYONE SUFFERING
WITH CHRONIC
ILLNESS . . .**

Here is a link to an article I wrote for the National Parkinson's Foundation web site in which I explain to young onset people with Parkinson's what they need to know about individual and group insurance programs, as well as Federal laws and insurance benefits available to them. The goal is to help them take full advantage of what's out there so that they can do some long-range insurance planning and minimize the risk of major financial loss to their personal assets caused by the chronic illness. Though written to those with Parkinson's, the information and advice I share applies to anyone with any chronic illness. Here's the link:

<http://www.parkinson.org/site/pp.asp?c=9dJFJLPwB&b=1276933>

**ANNOUNCING AUTO
OWNERS NEW PAID-
IN-FULL DISCOUNTS**

Starting May 21, Auto Owners is now offering a 10% paid-in-full discount for car insurance policies and 5% for homeowners policies. To receive the discount, you must pay the premium in full and pay it by the due date. Your invoice will show you the amount of the discount. You will have the option of paying by check or credit card.

**IF YOU CURRENTLY
PAY YOUR AUTO-
OWNERS PREMIUMS
ELECTRONICALLY,
ON A MONTHLY
BASIS**

Call Corporate 4 customer service at 952/893-9218 and let them know that you would like the electronic withdrawal changed from monthly to full term, from now on, and that you would like the paid-in-full discount applied. If you prefer, you can also stop your electronic payments and pay by check or credit card in full (I don't recommend that you do so). Remember the risk management reason I recommend electronic payments—that your policy can never cancel inadvertently for overlooking a premium payment. Even if your electronic check bounces, you will be mailed the bill and given a couple weeks or more to pay the premium. So it's a failsafe loss prevention strategy.

**BLUE CROSS FOR
THE FIRST TIME
EVER NOW
OFFERING
INDIVIDUAL DENTAL
INSURANCE**

In partnership with Delta Dental. If you now have an individual major medical policy from Blue Cross—either Aware Care or Options Blue, you have received an offer to add personal dental insurance. I have looked the plans over. Coverage is good—80%-100% for most dental work, 100% coverage for preventative costs, and after 12 months of having coverage, 50% coverage for major items like crowns and bridges. The rates are good—ranging from \$27 a month to about \$40 a month for individuals, depending on the choice of coverage and age.

THERE IS A CATCH

This is a one-time only offer to existing Blue Cross policy holders that ends June 1, 2006. After June 1, dental coverage is only available to new customers.

**IF YOU WANT TO
ENROLL...**

With the mailing from Blue Cross, there is a dental insurance application in the back of the brochure. Complete the application. Under "Agent," list Jack Hungelmann. Under "Agent Code," list FFK6349. Sign the application and either mail it to the address on the brochure or call Carol Bechay in my office and set up a 20-minute appointment where she can help you finish up the application and double check your work. Her number is 952/896-9536.

**HEALTH SAVINGS
ACCOUNTS AND
INDIVIDUAL DENTAL
COVERAGE**

A few things to consider about the dental insurance decision if you have a Health Savings Account:

1. The premiums for dental insurance are not tax deductible, but paying for your dental bills from unused funds in your Health Savings Account uses before tax dollars.
2. On the other hand, with dental insurance, your bills will automatically be an average of 30% less because of negotiated discounts between your dentist and Delta's dentist network.

Call Carol or me if you would like to discuss your particular situation.

**DO YOU HAVE
REGULAR USE OF
A CABIN?**

Perhaps it is owned by a family member or a close friend but you have opportunities to use it periodically on a semi-regular basis. If so, and someone is injured on the cabin premises on your watch and they sue you, your Homeowner's Personal Liability coverage excludes liability coverage at any other premises that you own, occupy or rent regularly. You would have to pay for your own defense in this case, as well as any judgment against you, out of your own pocket.

**THE SOLUTION?
\$15 A YEAR**

If there is any location that you own, rent for more than 30 days, or occupy semi-regularly but don't own, call us to extend your Homeowner's and Umbrella Liability coverage as soon as possible. The solution is cheap. The consequences of not having the coverage could be disastrous.

**OTHER POTENTIALLY
UNINSURED
PREMISES LIABILITY
EXPOSURES**

- Any vacant land that you own on which there is now or might be at a future date any structure—even an outhouse and or a fence or a dock.
- Vacant land that you farm or rent to other farmers.
- Vacation time share units.

These won't be covered automatically unless you have us extend your Home and Umbrella coverage. If you have any of these exposures, call us as soon as possible. The annual cost is just \$15-\$20 per year.

**ATTENTION:
HARLEYSVILLE
HOMEOWNERS
CUSTOMERS**

If your home is totally destroyed by fire, windstorm, etc., and you currently have an extended replacement cost option on your policy, Harleysville will pay up to an additional 25% over and above your building insurance limit if the replacement cost exceeds the insurance amount. That's a great deal. However, Harleysville has just made an even better option available to you. For \$15 more per year, you can change that additional percentage from 25% additional to 50% additional.

Because accepting this terrific offer is such a "no-brainer", I have sent you a letter advising you that I'm assuming your agreement to this change and will be changing your policy effective June 1. **IMPORTANT** – this automatic change only applies if you did receive my letter. If you did not receive the letter or you would like to decline this coverage, please contact Carol Bechay immediately by phone at 952-896-9536 or by e-mail at cbechay@corporate4.net.

**MORE HARLEYSVILLE
GOOD NEWS
REGARDING SEWER
AND WATER BACKUP
COVERAGE**

If you have taken my advice, you have purchased Harleysville's optional "Sewer and Water Backup and Sump Pump Failure Coverage." The current coverage options are \$2,000 coverage for \$20/year premium; \$5,000 for \$35; \$10,000 for \$60. They have now added three more options: \$15,000 for \$85; \$20,000 for \$105; or \$25,000 for \$120.

**SAFECO ALSO
INCREASES THEIR
SEWER BACKUP
OPTIONS**

Until now, you've had just one option—\$5,000 coverage for \$60 a year premium. Effective April 22, you can raise your coverage limit up to \$20,000 for an additional \$10 per thousand per year. It's not automatic; you have to call us. Call Corporate 4 customer service at 952-893-9218 who will be happy to help you improve your coverage.

**AN IMPORTANT
REMINDER ABOUT
NEWSLETTERS**

One of the many things I do with newsletters is include information on some of the new improved coverages and changes to the existing policies of the insurance companies we regularly work with, such as the increases on sewer and water backup options in Safeco and Harleysville. The reminder is that the coverage is not increased automatically just by receiving the newsletters. You have to make the call. If your lower level is finished and especially if you have a sump pump, I strongly recommend that you buy the amount of coverage it will take to replace all the potentially damaged areas from a sewer backup or a sump pump failure.

**ONLINE COMPUTER
COVERAGE FOR
JUST \$120 A YEAR!**

When recently reviewing an insurance program, I discovered a client purchased an online computer policy covering his \$2,000 laptop computer for \$120 a year of premium. Another client, through the same online source, insured \$12,000 of computer hardware for \$600 a year.

**HOW GOOD A DEAL
WAS THIS?**

You be the judge. Had the same clients scheduled their computers on their Homeowners policies, in most companies, the cost would have been \$10 a year for the \$2,000 computer and \$60 a year for the \$12,000 computer. In short, these people were "ripped off"!

A word to the wise! Don't buy insurance online—period—at least not until you check with me or Carol.

**DO YOU EVEN NEED
TO SCHEDULE YOUR
COMPUTERS?**

People do schedule their computers all the time. Yet, unlike personal jewelry, guns or silverware, most Homeowners policies do not have any dollar limit on computers unless they're used for business purposes.

**MY RISK
MANAGEMENT
ADVICE ABOUT
COMPUTERS**

- If you have a desktop model, used for pleasure use only, do nothing. Your computer is automatically covered exactly the same as your big-screen television.
- If you have a desktop used for business, just make sure that you have included on your homeowners policy an "incidental office" endorsement that will cover the computer as well as all other business related equipment and furniture. That endorsement also covers your liability for injuries to people coming on the premises such as couriers who get injured on the premises and sue you. Homeowners policies don't cover this kind of claim either.
- If you have a laptop, whether it is used for business or not, schedule it. You will automatically have coverage for business use, breakage, coffee or Cokes spilled on the hard drive, and best of all little or no deductible.

**DON'T BUY
INSURANCE TO RE-
CREATE LOST DATA,
WORD FILES, ETC.**

When you schedule your computer, there is optional coverage to replace the data on your computer that you lost as a result of the claim. Don't buy that. Instead, do regular backups and keep the backup copy off-site. If that's too much hassle, hire a credible offsite vendor who will do daily backups for you automatically.

**I PERSONALLY USE
www.datadepositbox.com**

I use my home laptop computer for business and personal use. Every time I use my computer, after I quit and the computer is idle, this vendor automatically backs up every word file, my e-mail, my contact information, and anything else I want for under \$10 a month. I never lift a finger. In my lifetime, I will never return to manual backups. I chose this vendor because they were recommended by PC World and because they specialize in small accounts with no monthly minimum charge.

May 15 and June 4 are the first two dates of four state-of-the-art medical procedures, spread over a few months, that the University of Minnesota is performing to alleviate some of my physical symptoms of Parkinson's. With these procedures, I will gain much more mobility and independence and eliminate most of my body tremors and movements. The procedures won't cure the disease or slow it down, but it will improve my quality of life hopefully for quite awhile. FYI, I probably won't be making too many personal appointments between May 15 and July 1, but I should be able to handle phone calls and e-mails okay for much of that time.

All the best,

Jack Hungelmann

P.S. The surgery won't make me any better as an insurance agent for you, but it will make me a much better dance partner if you ask me to dance! (Unfortunately for you, it won't improve my sense of humor either!)